

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7452**

**BILL NUMBER:** SB 498

**NOTE PREPARED:** Feb 3, 2011

**BILL AMENDED:** Feb 3, 2011

**SUBJECT:** Ginseng.

**FIRST AUTHOR:** Sen. Young R

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) *Ginseng Licenses*. This bill requires a person to be licensed to grow or harvest ginseng. The bill establishes separate licenses for individuals and business entities that are ginseng dealers. It requires a ginseng grower to provide the Department of Natural Resources (DNR) with an annual summary of the grower's cultivated ginseng harvest. The bill prohibits the possession of wild ginseng by a harvester except during the harvest season, unless approved by DNR. It prohibits the purchase, sale, or possession of wild ginseng by a ginseng dealer except during the time established by DNR, unless approved by DNR. (Current law applies to all ginseng.)

*Fees.* The bill requires the Natural Resources Commission to establish certain document requirements to be used by ginseng dealers, harvesters, and growers. The bill allows the commission to set license fees above the amount prescribed. It also make certain conforming changes.

*Penalties.* The bill specifies penalties.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *Ginseng Licenses*. Growers, harvesters, and dealers will be able to purchase licenses on the point-of-sale system that the DNR currently uses to sell hunting, fishing, and trapping licenses. A portion of the fee collected from the license price is used to cover the costs associated with updating the license system.

**Explanation of State Revenues:** *Fees*. The bill allows that the Natural Resources Commission to set license fees. The amount of the fee may not exceed the amount necessary to administer the license. The license for

a ginseng dealer must be at least \$75. (The fee for a dealer is currently \$100. There are currently 28 dealers.) The fee for a harvester's license must be at least \$10 with the fee for a grower's license at \$25. There are an estimated 3,000 to 5,000 ginseng harvesters. If the Commission established a \$10 fee for harvesters, revenue generated by the fees would range between \$30,000 and \$50,000.

The number of individual who will apply for a grower's license is unknown. Fees will be deposited in a dedicated fund used to finance the operations of the DNR Division of Nature Preserves.

(Revised) *Penalty Provision:* The bill makes it a Class C infraction if a person fails to possess a harvester's license while harvesting ginseng. The maximum judgment for a Class C infraction is \$500, which would be deposited in the state General Fund. The penalty for a ginseng harvester who fails to procure a ginseng harvester's license prior to harvesting is a Class C misdemeanor. The maximum fine for a Class C misdemeanor is \$500. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. However, any additional revenue would likely be small.

**Explanation of Local Expenditures:** (Revised) *Penalty Provision:* A Class C misdemeanor is punishable by up to 60 days in jail.

**Explanation of Local Revenues:**(Revised) *Penalty Provision:* If additional court actions are filed and a judgment is entered or a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

**State Agencies Affected:** DNR.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** DNR.

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